

Workforce Observations

For The Wisconsin River WDA

August, 2001



The July Employment Picture— A Rose Or A Thorn?

A good time to assess the employment situation is at the mid summer point, when job levels are at their highest in many areas and the general health of any particular sector is usually the best. This is also true to some degree of the mid winter point of December-January. Any job growth trends that began to emerge in the early spring and even the late winter are more pronounced now and will remain so for at least another month. What then do we see when we look at the July employment picture in the Upper Wisconsin River Valley?

First of all, unemployment rates continue to remain at record low levels in every area of the district. We always expect to see the lowest jobless rates in July and August, with no expectation of the seasonal creep upward until the leaves begin to turn. This year is no different, with the additional factor of yet another summer of low unemployment rates following several years of historically low percentages. Not surprisingly, the jobless rate fell just a bit in July compared to the previous month.

This usually happens, even in a year of high unemployment. The only exception was Adams County, where there was a slight increase compared to June, of about .3 of a percentage point.

In spite of clouds on the economic horizon both statewide and regionally, not much appears to be happening locally that indicates problems. Not much, except ... Let's take a closer look, not only at the actual employment numbers and unemployment rates in July compared to June, but also up against 12 month ago. (*Please see the chart on page two*). And there is another factor—the number of new, or initial claims for unemployment insurance in our area.

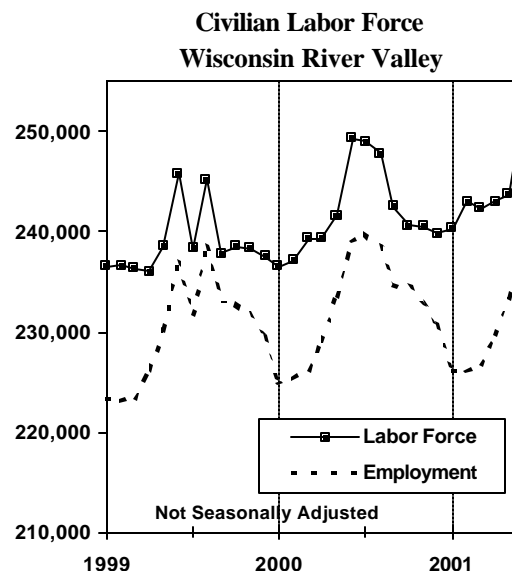
The jobless rate in July of this year compared to last

was higher everywhere, except Oneida and Vilas Counties. The number of people employed was also smaller in a few areas. Against a background of historically low unemployment rates and high job numbers, this may not seem important, but when looking for signs of a weakening job situation, one should look for as many indicators as possible. (Considering the worrisome state and national pictures, a good look may be warranted.) In that case, the unusually high number of new unemployment claims filed recently seems to indicate a bit of a problem. In the core counties of Marathon, Wood, and Portage, rather high numbers of new claims were being filed in the period from July 1st. through August 4th. This is especially true of claims filed

against area manufacturers. At the beginning of July, for example, about 350 new and additional claims were filed on manufacturers accounts by Marathon County residents and 345 in the week of July 22nd. There were also 348 filed in Wood County and 215 in Portage County in the week of July 29th. How many of these claims are brand new and how many are refilers is not clear, but in any case, to have that much churn in an industry as important to our area as manufacturing, especially in the middle of the summer, seems to reveal thorns in an otherwise rosy picture.

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It has been reported that many workers released from the Stora Enso paper mills in Portage and Wood Counties (nondurable goods manufacturing) are being recalled as summer vacation relief, which may account for some of the filing activity in those counties. In fact, however, these workers should be considered permanently separated. Regardless, the economy generally seems to be sputtering a bit. The job numbers in manufacturing are not all that healthy this year compared to last, and the small increase in jobs compared to June of 2001 is actually small enough to be insignificant.



Labor Force & Employment

The size of the civilian labor force was relatively unchanged in July from the previous month. There was a very small increase from 12 months ago of almost 200 people. Changes in the size of the labor force is largely a seasonal phenomenon, with the largest numbers being seen in the summer time. While employment levels are good

this summer, and the unemployment rate is still low historically, there is a definite sluggishness in the job picture.

News from the northern counties seems to indicate a good summer in the tourist areas, with at least as many visitors going north as in years past. (There will be more on this in next months *Observations* on this topic.) Manufacturing in the north, while comparing well with

June, was up from last July, but by rather small numbers. The Core Counties of Wood, Marathon, and Portage by contrast, seemed to lose several hundreds of jobs in manufacturing which is probably a reflection of a falloff in orders and a desire by customers to run their inventories down a bit. Construction employment seems to be doing well everywhere this year, both in the areas of commercial and residential building.

For The Month Of July	Adams	Forest	Lang.	Lincoln	Mara.	Oneida	Portage	Vilas	Wood	Region
Labor Force	9,238	4,870	9,654	15,470	77,494	22,347	38,198	12,146	41,087	230,504
Employed	8,925	4,586	9,148	14,686	74,785	21,424	36,567	11,677	39,217	221,015
Unemployed	313	284	506	784	2,709	923	1,631	469	1,870	9,489
Unemployment rate(%)	3.4	5.8	5.2	5.1	3.5	4.1	4.3	3.9	4.6	4.1%
Total, all industries**	4,262	3,202	7,880	12,399	70,209	19,310	33,063	9,359	44,724	204,408
Construction & Mining	199	136	503	631	3,603	1,497	1,420	1,099	2,051	11,139
Manufacturing	441	510	1,772	4,185	19,248	2,222	6,905	551	10,264	46,098
Transportation & Util.	184	215	344	413	3,933	644	1,916	231	3,182	11,062
Wholesale Trade	120	49	476	426	5,180	390	1,665	144	1,427	9,877
Retail Trade	938	523	1,876	2,414	12,252	5,495	5,387	2,575	8,079	39,539
FIRE	104	99	260	259	4,876	471	3,751	323	930	11,073
Services	1,162	518	1,639	1,940	14,020	6,032	7,402	2,529	14,334	49,576
Government	1,114	1,152	1,010	2,131	7,097	2,559	4,617	1,907	4,457	26,044
Change from previous mo.	Adams	Forest	Lang.	Lincoln	Mara.	Oneida	Portage	Vilas	Wood	Region
Civilian Labor Force*	404	177	-200	316	-25	-274	-506	-163	-616	-887
Employed	442	163	-55	292	31	-403	-516	-329	-553	-928
Unemployed	-38	14	-145	24	-56	129	10	166	-63	41
Unemployment rate(%)	-0.6	0.0	-1.4	0.1	-0.1	0.6	0.1	1.4	0.0	0.0
Total, all industries**	-60	-306	-306	-207	-1,129	94	-89	97	-929	-2,835
Construction & Mining	8	8	8	11	99	15	23	19	23	214
Manufacturing	0	-25	-25	-43	-24	-32	987	3	91	932
Transportation & Util.	0	-21	-21	-52	-94	-34	74	-13	-92	-253
Wholesale Trade	1	-1	-1	-9	50	4	-9	-6	-14	15
Retail Trade	4	-49	-49	-44	-122	115	-88	126	-106	-213
FIRE	-2	4	4	-1	-19	-2	-4	4	1	-15
Services	27	22	22	2	-254	298	-33	238	42	364
Government	-98	-244	-244	-71	-765	-270	-1,039	-274	-874	-3,879
Change from year ago	Adams	Forest	Lang.	Lincoln	Mara.	Oneida	Portage	Vilas	Wood	Region
Civilian Labor Force*	142	-85	-57	80	241	-186	-12	-55	122	190
Employed	104	-99	-32	-11	-21	-296	-166	-160	-166	-847
Unemployed	38	14	-25	91	262	110	154	105	288	1,037
Unemployment rate(%)	0.4	0.4	-0.3	0.6	0.3	0.5	0.4	0.9	0.7	0.0
Total, all industries**	22	-18	-133	-278	811	110	126	495	48	1,183
Construction & Mining	9	29	-45	9	157	91	5	92	63	409
Manufacturing	-8	7	-66	-263	-546	39	-301	76	-241	-1,304
Transportation & Util.	9	-3	-5	-37	224	-16	111	22	-7	297
Wholesale Trade	13	6	-33	22	126	-15	20	-3	-95	41
Retail Trade	6	10	42	-14	150	168	-533	79	374	282
FIRE	4	3	14	-49	-3	-18	168	5	-15	110
Services	-13	31	45	33	417	-182	360	69	344	1,104
Government	2	-100	-84	22	286	41	296	154	-374	243

* Includes participants residing in area. ** Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Totals may not add due to rounding. Calculations based on unrounded numbers.

Look for the most current Labor Market Information at: WWW.DWD.STATE.WI.US/LMI

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